

NationsBank of Texas, N A
Uvalde Banking Center
220 East Main Street
Uvalde, TX 78801-5639

Tel 512 278-9121
Fax 512 278-7731

3-176A005

NationsBank

June 4, 1993

18274/
REGISTRATION NO. FILED 1993

Interstate Commerce Commission

12th & Constitutional Ave. NW

Washington, D.C. 20423

Attn: Mildred Lee

Room # 2303

JUN 25 1993 10:05 AM

INTERSTATE COMMERCE COMMISSION

JUN 25 9 54 AM '93
MOTOR OPERATING UNIT

Dear Ms. Lee:

Enclosed please find the following which need to be recorded with the ICC:

Security Agreement

Secured Party: NationsBank of Texas, N.A. Uvalde
Banking Center
220 East Main
Uvalde, Texas 78801

Debtor: ITG, Inc.
106 N. Main, Suite 200
Victoria, Texas 77901

Collateral: Assignment of the proceeds from the
Railroad Car Lease Agreement, No. ITG-2372, between
ITG, Inc. and North American Salt Company.
and,

Security Agreement

Secured Party: NationsBank of Texas, N.A. Uvalde
Banking Center
220 East Main
Uvalde, Texas 78801

Debtor: Joint Venture Master Agreement #1643
106 N. Main, Suite 200
Victoria, Texas 77901

Collateral: 8 (eight) 4,000 Cu. Ft. Aluminum
covered Hopper cars numbered: DGHX 2000, 2001, 2002,
2003, 2004, 2005, 2006, and 2007.

Upon recordation of the above, please forward recorded documents to the following address:

NationsBank of Texas, N.A.
Austin Banking Center
P. O. Box 908
Austin, Texas 78781
Attn: Ken Scott, Loan Administration

Sincerely,

Veronica B. Hinojosa

Veronica B. Hinojosa
Commercial Lending Assistant

Member FDIC

Interstate Commerce Commission
Washington, D.C. 20423

6/25/93

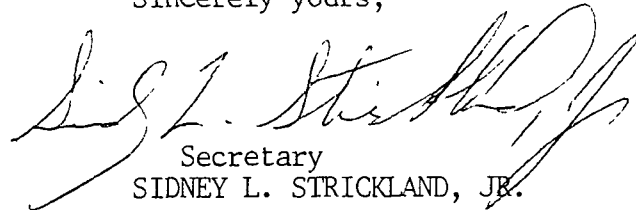
OFFICE OF THE SECRETARY

NationsBank of Texas N.A.
Austin Banking Center
P.O.Box 908
Austin, Texas 78781

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions
of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303,
on **6/25/93** at **10:05am**, and assigned
recordation number(s). **18274 & 18274-A**

Sincerely yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

Date May 26, 1993

JUN 25 1993 10:05 AM

Between

INTERSTATE COMMERCE COMMISSION

| | |
|---|--|
| <p>Secured Party (Name and address including county)</p> <p>NationsBank of Texas, N.A. Uvalde Banking Center 220 East Main Uvalde, Texas 78801 Uvalde County, Texas</p> | <p>Debtor (Name of owner of the collateral and address including county):</p> <p>Joint Venture Master Agreement #1643 106 N. Main Suite 200 Victoria, Texas 77901 Victoria County, Texas</p> <p>Debtor Is <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Other</p> <p>Address Is Debtor's <input type="checkbox"/> Residence <input checked="" type="checkbox"/> Place of Business <input type="checkbox"/> Chief Executive Office (If more than one place of business)</p> |
|---|--|

A. Agreement

1. **Security Interest.** Subject to the applicable terms of this agreement, debtor assigns and grants to secured party a security interest and lien in the collateral to secure the payment and the performance of the obligation.

B. Obligation

1. **Description of Obligation.** The following obligations (obligation) are secured by this agreement.:
 - a. All debt, obligations, liabilities and agreements of debtor to secured party, now or hereafter existing, arising directly between debtor and secured party or acquired outright, conditionally or as collateral security from another by secured party, absolute or contingent, joint or several, secured or unsecured, due or not due, contractual or tortious, liquidated or unliquidated, arising by operation of law or otherwise, direct or indirect, and including but not limited to any debt, obligation or liability of debtor to secured party as a member of any partnership, syndicate, association or other group, whether incurred by debtor as principal, guarantor, surety, indorser, accommodation party or otherwise, and all renewals, extensions or rearrangements of any of the above.
 - b. Secured party's participation in any debt of debtor to another person.
 - c. All costs incurred by secured party to obtain, preserve, perfect and enforce this security agreement and security interest, collect the obligation and maintain, preserve, collect and enforce the collateral, including but not limited to taxes, assessments, insurance premiums, repairs, reasonable attorney's fees and legal expenses, feed, rent, storage costs and expenses of sale.
 - d. Interest on the above amounts as agreed between secured party and debtor, or if there is no agreement, at the highest lawful rate.
 - e. All debt, obligations and liabilities of **Stephen L. Horton** (if the preceding space is completed, such party, together with the debtor named above, are hereinafter referred to collectively as "debtor") to secured party of the kinds described in this Item B., now existing or hereafter arising.

C. Collateral

1. **Description of Collateral.** The security interest is granted in the following (collateral): (If collateral includes crops growing or to be grown, timber to be cut, fixtures, minerals, or an account resulting from sale of minerals, describe real estate and name record owner.)
 - a.

8 (eight) 4,000 Cu. Ft. Aluminum Covered Hopper Cars numbered:
DGHX 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007.

- b. All substitutes and replacements for, accessions, attachments and other additions to, tools, parts and equipment used in connection with, and proceeds and products of, the above collateral (including all income and benefits resulting from any of the above, such as dividends payable or distributable in cash, property or stock; interest, premium and principal payments; redemption proceeds and subscription rights; and shares or other proceeds of conversions or splits of any securities in collateral), all certificates of title, manufacturer's statements of origin, other documents, accounts and chattel paper arising from or related to the above collateral, and returned or repossessed collateral, any of which, if received by debtor, shall be delivered immediately to secured party.
- c. The balance of every deposit account of debtor under control of secured party and any other claim of debtor against secured party, now or hereafter existing, liquidated or unliquidated, and all money, instruments, securities, documents, chattel paper, credits, claims, demands, income, and any other property, rights and interests of debtor which at any time shall come into the possession or custody or under the control of secured party or any of its agents, affiliates or correspondents, for any purpose, and the proceeds of any thereof. Secured party shall be deemed to have possession of any of the collateral in transit to or set apart for it or any of its agents, affiliates or correspondents. The holder of any participation in the obligation shall have a right of setoff with respect to any obligation of such holder to debtor to satisfy the obligation.

- d All policies of insurance covering the collateral and proceeds thereof
 - e All security for the payment of any of the collateral, and all goods which gave or will give rise to any of the collateral or are evidenced, identified or represented therein or thereby
 - f All property similar to the above hereafter acquired by debtor
 - g All proceeds of the items described in subparagraphs a through f of this paragraph C 1
- 2 **After Acquire Consumer Goods.** The security interest hereunder shall attach to after acquired consumer goods only to the extent permitted by Sec 9 204(b) of the Texas Business and Commerce Code (UCC)

D Debtor's Warranties

- 1 **Financing Statements.** No financing statement covering the collateral is or will be on file in any public office except the financing statements relating to this security interest, and no security interest, other than the one herein created, has attached or been perfected in the collateral or any part thereof
- 2 **Ownership.** Debtor owns, or will use the proceeds of any loans by secured party to become the owner of, the collateral free from any setoff claim, restriction, lien, security interest or encumbrance except liens for taxes not yet due and the security interest hereunder
- 3 **Fixtures and Accessions.** None of the collateral is affixed to real estate or is an accession to any goods, or will become a fixture or accession, except as expressly set out herein
- 4 **Claims of Debtors on Collateral.** All account debtors and other obligors whose debts or obligations are part of the collateral have no right to setoffs, counterclaims or adjustments, and no defenses in connection therewith
- 5 **Accuracy of Financial Statements.** All balance sheets, earnings statements and other financial data which have been or hereafter may be furnished to secured party to induce it to permit the obligation or to make this agreement or in conjunction herewith truly represent or shall truly represent the financial condition and operations of debtor as of the dates and for the periods shown thereon, and all other information, reports papers and data furnished to secured party are or shall be, at the time furnished, accurate and correct in all respects and complete insofar as necessary to give secured party a true and accurate knowledge of the subject matter
- 6 **Power and Authority.** Debtor has full power and authority to make this agreement

E Debtor's Covenants

- 1 **Obligation and This Agreement.** Debtor shall perform promptly all of his agreements herein and in any other agreements between him and secured party
 - 2 **Ownership of Collateral.** At the time debtor grants to secured party a security interest in any collateral, debtor shall be the absolute owner thereof and shall have the right to grant such security interest Debtor shall defend the collateral against all claims and demands of all persons at any time claiming any interest therein adverse to secured party Debtor shall keep the collateral free from all liens and security interests except those for taxes not yet due and the security interest hereby created
 - 3 **Insurance.** Debtor shall insure the collateral with companies acceptable to secured party against such casualties and in such amounts as secured party shall require All insurance policies shall be written for the benefit of debtor and secured party as their interests may appear, or in other form satisfactory to secured party, and such policies or certificates evidencing the same shall be furnished to secured party All policies of insurance shall provide for written notice to secured party at least 10 days prior to cancellation Risk of loss or damage is debtor's to the extent of any deficiency in any effective insurance coverage Secured party is appointed debtor's attorney-in-fact to collect any return or unearned premiums or the proceeds of such insurance and to indorse any draft or check payable to debtor therefor
 - 4 **Maintenance.** Debtor shall keep goods in collateral in good condition
 - 5 **Secured Party's Costs.** Debtor shall pay all costs necessary to obtain, preserve, perfect, defend and enforce this security interest, collect the obligation, and preserve, defend, enforce and collect the collateral, including but not limited to taxes, assessments, insurance premiums, repairs, reasonable attorney's fees and legal expenses, feed, rent, storage costs and expenses of sales Whether collateral is or is not in secured party's possession, and without any obligation to do so and without waiving debtor's default for failure to make any such payment, secured party at its option may pay any such costs and expenses, discharge encumbrances on collateral and pay for insurance of collateral, and such payment shall be a part of the obligation Debtor agrees to reimburse secured party on demand for any costs so incurred
 - 6 **Information and Inspection.** Debtor shall (i) furnish secured party any financial statements of debtor or reports to debtor by accountants or others pertaining to debtor's business as soon as available, and any information with respect to collateral requested by secured party, (ii) allow secured party to inspect the collateral, at any time and wherever located, and to inspect and copy, or furnish secured party with copies of, all records relating to the collateral and the obligation, (iii) furnish secured party such information as secured party may request to identify inventory, accounts and general intangibles in collateral, at the time and in the form requested by secured party, and (iv) deliver upon request to secured party shipping and delivery receipts evidencing the shipment of goods and invoices evidencing the receipt of, and the payment for, inventory in collateral
 - 7 **Additional Documents.** Debtor shall sign any papers furnished by secured party which are necessary in the judgment of secured party to obtain, maintain and perfect the security interest hereunder and to enable secured party to comply with the Federal Assignment of Claims Act or any other federal or state law in order to obtain or perfect secured party's interest in collateral or to obtain proceeds of collateral
 - 8 **Parties Liable on Collateral.** Debtor will preserve the liability of all obligors on any collateral, will preserve the priority of all security therefor, and will deliver to secured party the original certificates of title on all motor vehicles securing the collateral Secured party shall have no duty to preserve such liability or security, but may do so at the expense of debtor, without waiving debtor's default
 - 9 **Modification of Collateral.** Without the written consent of secured party, debtor shall not agree to any modification of any of the terms of any accounts, contracts, chattel paper, general intangibles or instruments in collateral
 - 10 **Right of Secured Party to Notify Debtors.** At any time, whether debtor is or is not in default hereunder, secured party may notify persons obligated on any collateral to make payments directly to secured party and secured party may take control of all proceeds of any collateral Until secured party elects to exercise such rights, debtor, as agent of secured party, shall collect and enforce all payments owed on collateral
 - 11 **Delivery of Receipts of Secured Party; Rejected Goods.** Upon secured party's demand, debtor will deposit, upon receipt and in the form received, with any necessary indorsement, all payments received as proceeds of collateral, in a special bank accounts in a bank of secured party's choice over which secured party alone shall have power of withdrawal The funds in said account shall secure the obligation Secured party is authorized to make any indorsement in debtor's name and behalf Pending such deposit, debtor shall not mingle any such payments with any of debtor's other funds or property, but will hold them separate and upon an express trust for secured party Secured party may from time to time apply the whole or any part of the funds in the special account against the obligation
- Unless secured party notifies debtor in writing that it dispenses with any one or more of the following requirements, debtor shall
- a inform secured party immediately of the rejection of goods, delay in delivery or performance, or claim made, in regard to any collateral,
 - b keep returned goods segregated from debtor's other property, and hold the goods as trustee for secured party until it has paid secured party the amount loaned against the related account or chattel paper and deliver the goods on demand to secured party, and
 - c pay secured party the unpaid amount of any account in collateral (i) if the account is not paid when due, (ii) if purchaser rejects the goods or services covered by the account, or (iii) if secured party shall at any time reject the account as unsatisfactory Secured party may retain the account in collateral Secured party may charge any deposit account of debtor with any such amounts
- 12 **Records of Collateral.** Debtor at all times will maintain accurate books and records covering the collateral Debtor immediately will mark all books and records with an entry showing the absolute assignment of all accounts in collateral to secured party and secured party is hereby given the right to audit the books and records of debtor relating to collateral at any time and from time to time The amounts shown as owed to debtor on debtor's books and on any assignment schedule will be the undisputed amounts owing and unpaid Debtor shall disclose to secured party all agreements modifying any account, instrument or chattel paper
 - 13 **Disposition of Collateral.** If disposition of any collateral gives rise to an account, chattel paper or instrument, debtor immediately shall notify secured party and upon request of secured party shall assign or indorse the same to secured party No collateral may be sold, leased, manufactured, processed or otherwise disposed of by debtor in any manner without the prior written consent of secured party, except inventory sold, leased, manufactured, processed or consumed in the ordinary course of business
 - 14 **Accounts.** Each account in collateral will represent the valid and legally enforceable obligation of third parties, and shall not be evidenced by any instrument or chattel paper

- 15 **Location of Accounts and Inventory.** Debtor shall give secured party written notice of each office of debtor in which records of debtor pertaining to accounts in collateral are kept, and each location at which inventory in collateral is or will be kept, and of any change of any such location. If no such notice is given all records of debtor pertaining to accounts and all inventory are and shall be kept at debtor's address shown above.
- 16 **Notice of Changes.** Debtor will notify secured party immediately of any material change in the collateral, of a change in debtor's residence or location, of a change in any matter warranted or represented by debtor in this agreement or furnished to secured party, and of any event of default.
- 17 **Use and Removal of Collateral.** Debtor will not use the collateral illegally nor permit the collateral to be affixed to real or personal property without the prior written consent of secured party. Debtor will not permit any of the collateral to be removed from the locations specified herein without the written consent of secured party.
- 18 **Possession of Collateral.** If the collateral is chattel paper, documents, instruments or investment securities or other instruments, secured party may deliver a copy of this agreement to the broker or seller thereof, or any person in possession thereof, and such delivery shall constitute notice to such person of secured party's security interest therein and shall constitute debtor's instruction to such person to deliver to secured party certificates or other evidence of the same as soon as available. Debtor will deliver all investment securities, other instruments, documents and chattel paper which are part of the collateral and in debtor's possession to the secured party immediately, or if hereafter acquired, immediately following acquisition, appropriately indorsed to secured party's order, or with appropriate executed powers. Debtor waives presentment, demand, notice of dishonor, protest, and all other notices with respect thereto.
- 19 **Chattel Paper.** Debtor has perfected or will perfect a security interest by means satisfactory to secured party in goods covered by chattel paper in collateral.
- 20 **Consumer Credit.** If any collateral or proceeds includes obligations of third parties to debtor, the transactions giving rise to the collateral shall conform in all respects to the applicable state or federal consumer credit law. Debtor shall hold harmless and indemnify secured party against any cost, loss or expense including attorney's fees, arising from debtor's breach of this covenant.
- 21 **Change of Name.** Without the written consent of secured party, debtor shall not change his name.
- 22 **Power of Attorney.** Debtor appoints secured party debtor's attorney-in-fact with full power in debtor's name and behalf to do every act which debtor is obligated to do or may be required to do hereunder, however, nothing in this paragraph shall be construed to obligate secured party to take any action hereunder.
- 23 **Waivers by Debtor.** Debtor waives notice of the creation, advance, increase, existence, extension or renewal of, and of any indulgence with respect to, the obligation, waives presentment, demand, notice of dishonor, and protest, waives notice of the amount of the obligation outstanding at any time, notice of any change in financial condition of any person liable for the obligation or any part thereof, notice of any event of default, and all other notices respecting the obligation, and agrees that maturity of the obligation and any part thereof may be accelerated, extended or renewed one or more times by secured party in its discretion, without notice to debtor.
- 24 **Other Parties and Other Collateral.** No renewal or extension of or any other indulgence with respect to the obligation or any part thereof, no release of any security, no release of any person (including any maker, indorser, guarantor or surety) liable on the obligation, no delay in enforcement of payment, and no delay or omission or lack of diligence or care in exercising any right or power with respect to the obligation or any security therefor or guaranty thereof or under this agreement shall in any manner impair or affect the rights of secured party under the law, hereunder, or under any other agreement pertaining to the collateral. Secured party need not file suit or assert a claim for personal judgment against any person for any part of the obligation or seek to realize upon any other security for the obligation before foreclosing upon the collateral for the purpose of paying the obligation. Debtor waives any right to the benefit of or to require or control application of any other security or proceeds thereof, and agrees that secured party shall have no duty or obligation to debtor apply to the obligation any such other security or proceeds thereof.

F Rights and Powers of Secured Party

- 1 **General.** Secured party before or after default without liability to debtor may obtain from any person information regarding debtor or debtor's business, which information any such person also may furnish without liability to debtor, require debtor to give possession or control of any collateral to secured party, indorse as debtor's agent any instruments, documents or chattel paper in collateral or representing proceeds of collateral, contact account debtors directly to verify information furnished by debtor, take control of proceeds, including stock received as dividends or by reason of stock splits, release collateral in its possession to any debtor, temporarily or otherwise, require additional collateral, reject as unsatisfactory any property hereafter offered by debtor as collateral, set standards from time to time to govern what may be used as after acquired collateral, designate, from time to time, a certain percent of the collateral as the loan value and require debtor to maintain the obligation at or below such figure, take control of funds generated by the collateral, such as cash dividends, interest and proceeds or refunds from insurance, and use same to reduce any part of the obligation and exercise all other rights which an owner of such collateral may exercise, except the right to vote or dispose of collateral before an event of default, at any time transfer any of the collateral or evidence thereof into its own name or that of its nominee, and demand, collect, convert, redeem, receipt for, settle, compromise, adjust, sue for, foreclose or realize upon collateral, in its own name or in the name of debtor, as secured party may determine. Secured party shall not be liable for failure to collect any account or instruments, or for any act or omission on the part of the secured party, its officers, agents or employees, except willful misconduct. The foregoing rights and powers of secured party will be in addition to, and not a limitation upon, any rights and powers of secured party given by law, elsewhere in this agreement, or otherwise. If debtor fails to maintain any required insurance, to the extent permitted by applicable law secured party may (but is not obligated to) purchase single interest insurance coverage for the collateral which insurance may at secured party's option (i) protect only secured party and not provide any remuneration or protection for debtor directly and (ii) provide coverage only after the obligation has been declared due as herein provided. The premiums for any such insurance purchased by secured party shall be a part of the obligation and shall bear interest as provided in B 1 d hereof.
- 2 **Convertible Securities.** Secured party, may present for conversion any instrument or investment security in collateral which is convertible into any other instrument or investment security or a combination thereof with cash. But secured party shall not have any duty to present for conversion any instrument in collateral unless it shall have received from debtor detailed written instructions to that effect at a time reasonably far in advance of the final conversion date to make such conversion possible.

G Default

- 1 **Events of Default.** The following are events of default hereunder:
- a default in the timely payment of any part of the obligation or in performance or observance of the terms and conditions herein or in any other agreement between debtor and secured party,
 - b any warranty, representation or statement made or furnished to secured party herein, heretofore, or hereafter proves to have been false in any material respect when made or furnished,
 - c acceleration of the maturity of debt of debtor to any other person,
 - d substantial change in any fact warranted or represented in this agreement or in any other agreement between debtor and secured party or in any statement, schedule or other writing furnished in connection therewith,
 - e sale, loss, theft, destruction, encumbrance or transfer of any collateral in violation hereof, or substantial damage to any collateral,
 - f belief by secured party that the prospect of payment of the obligation or performance of this agreement is impaired,
 - g death, incapacity, dissolution, merger or consolidation, termination of existence, insolvency or business failure of debtor or any person liable on the obligation, commencement of proceedings for the appointment of a receiver for any property of debtor, commencement of any proceeding under any bankruptcy or insolvency law by or against debtor (or any corporate action shall be taken to effect same), or any partnership of which debtor is a partner, or by or against any person liable upon the obligation or any part thereof, or liable upon collateral,
 - h levy on, seizure or attachment of any property of debtor,
 - i a judgment against debtor becomes final, or
 - j any liability or agreement of third parties to debtor or on the collateral shall not be paid or performed in accordance with the terms thereof.

2 **Remedies of Secured Party Upon Default.** When an event of default occurs, and at any time thereafter, secured party without notice or demand may declare the obligation in whole or part immediately due and may enforce payment of the same and exercise any rights under the UCC right and remedies of secured party under this agreement or otherwise. Secured party may require debtor to assemble the collateral and make it available to secured party at a place which is reasonably convenient to both parties. Unless the collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, secured party will give debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or other intended disposition thereof is to be made. Expenses of retaking, holding, preparing for sale, selling, leasing or the like shall include secured party's reasonable attorney's fees and legal expenses. Secured party shall be entitled to immediate possession of all books and records evidencing any accounts or general intangibles or pertaining to chattel paper covered by this agreement and shall have the authority to enter upon any premises upon which any of the same, or any collateral, may be situated and remove the same therefrom without liability. Secured party may surrender any insurance policies in collateral and receive the unearned premium thereon. Debtor shall be entitled to any surplus and shall be liable to secured party for any deficiency. The proceeds of any disposition after default available to satisfy the obligation shall be applied to the obligation in such order and in such manner as secured party in its discretion shall decide. If, in the opinion of secured party, there is any question that a public sale or distribution of any collateral will violate any state or federal securities law, secured party (i) may offer and sell securities privately to purchasers who will agree to take them for investment purposes and not with a view to distribution and who will agree to imposition of restrictive legends on the certificates representing the security, or (ii) may sell such securities in an intrastate offering under Section 3(a)(11) of the Securities Act of 1933, and no sale so made in good faith by secured party shall be deemed to be not "commercially reasonable" because so made.

H **General**

- 1 **Parties Bound.** Secured party's rights hereunder shall inure to the benefit of its successors and assigns, and in the event of any assignment or transfer of any of the obligation or the collateral secured party thereafter shall be fully discharged from any responsibility with respect to the collateral so assigned or transferred, but secured party shall retain all rights and powers hereby given with respect to any of the obligation or collateral not so assigned or transferred. All representations, warranties and agreements of debtor if more than one are joint and several, and all shall be binding upon the personal representatives, heirs, successors and assigns of debtor.
- 2 **Waiver.** No delay of secured party in exercising any power or right shall operate as a waiver thereof, nor shall any single or partial exercise of any power or right preclude other or further exercise thereof or the exercise of any other power or right. No waiver by secured party of any right hereunder or of any default by debtor shall be binding upon secured party unless in writing, and no failure by secured party to exercise any power or right hereunder or waiver of any default by debtor shall operate as a waiver of any other or further exercise of such right or power or of any further default.
- 3 **Agreement Continuing.** This agreement shall constitute a continuing agreement, applying to all future as well as existing transactions, whether or not of the character contemplated at the date of this agreement, and if all transactions between secured party and debtor shall be closed at any time, shall be equally applicable to any new transactions thereafter. Provisions of this agreement, unless by their terms exclusive, shall be in addition to other agreements between the parties.
- 4 **Definitions.** Unless the context indicates otherwise, definitions in the UCC apply to words and phrases in this agreement, if UCC definitions conflict, Chapter 9 definitions apply.
- 5 **Notice.** Notice shall be deemed reasonable if mailed postage prepaid at least 5 days before the related action (or if the UCC elsewhere specifies a longer period, such longer period) to the address of debtor given above.
- 6 **Interest.** No agreement relating to the obligation shall be construed to be a contract for or to authorize charging or receiving, or require the payment or permit the collection of, interest at a rate or in an amount above that authorized by law. Interest payable under any agreement above that authorized by law shall be reduced automatically to the highest amount permitted by law. This provision shall override and supersede all other provision of any agreement relating to the obligation.
- 7 **Modifications.** No provision hereof shall be modified or limited except by a written agreement expressly referring hereto and to the provisions so modified or limited and signed by the debtor and secured party, nor by course of conduct, usage of trade, or by the law merchant.
- 8 **Severability.** The unenforceability of any provision of this agreement shall not affect the enforceability or validity of any other provision.
- 9 **Gender and Number.** Where appropriate, the use of one gender shall be construed to include the others or any of them, and the singular number shall be construed to include the plural, and vice versa.
- 10 **Applicable Law and Venue.** This agreement shall be construed according to the laws of Texas. It is performable by debtor in the county of secured party's address set out above.
- 11 **Financing Statement.** A carbon, photographic or other reproduction of this security agreement or any financing statement covering the collateral shall be sufficient as a financing statement.
- 12 **Limitations of Law.** If any law prohibits or limits any charge or expense provided for in this agreement in connection with any loan secured hereby, such charge or expense will not be made or incurred in connection with such loan beyond the limits permitted by such law.

Secured Party

Debtor

Joint Venture Master Agreement #1643

NationsBank of Texas, N.A.
By: Kenneth Bonnet
Kenneth Bonnet
Banking Center President
Its: _____

ITG, Inc.
By: [Signature]
Its: [Signature]
Stephen L. Horton